

**TOWN OF DAVIE
TOWN COUNCIL AGENDA REPORT**

TO: Mayor and Councilmembers

FROM/PHONE: Gary Shimun, Town Administrator / 954-797-1030

PREPARED BY: Barbara McDaniel, Assistant Town Clerk

SUBJECT: Other - Old Business

AFFECTED DISTRICT: n/a

ITEM REQUEST: **Schedule for Council Meeting**

TITLE OF AGENDA ITEM: Community Chest

REPORT IN BRIEF: At the April 1, 2009 Council meeting, Council directed staff to proceed with the creation of the Community Chest. On November 17, 2004, Council approved a resolution supporting the formation of a Community Chest that would help support local charities.

PREVIOUS ACTIONS: Resolution R-2004-265 was approved on November 17, 2004.

CONCURRENCES:

FISCAL IMPACT: not applicable

Has request been budgeted? n/a

RECOMMENDATION(S):

Attachment(s): R-2004-265; excerpts from previous Council minutes

**TOWN OF DAVIE
TOWN COUNCIL AGENDA REPORT**

Approved
11/17/04

TO: Mayor and Councilmembers

FROM/PHONE: Russell C. Muniz CMC, Town Clerk (954) 797-1023

SUBJECT: Support for the creation of a Community Chest to help support local charities.

AFFECTED DISTRICT: Townwide

TITLE OF AGENDA ITEM: A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, SUPPORTING THE FORMATION OF A COMMUNITY CHEST THAT WOULD HELP SUPPORT LOCAL CHARITIES AND PROVIDING FOR AN EFFECTIVE DATE.

REPORT IN BRIEF:

The Town Council is desirous of supporting the creation of a not-for-profit agency that will serve as a "Community Chest." The purpose of this agency will be to perform various fundraising activities, and solicit donations from philanthropic organizations and individuals. The funds generated will then be allocated by the Community Chest to local charities that provide services to the less fortunate in Davie.

It is anticipated that the Town may provide the initial "seed money" for the Community Chest as well as initial staff expertise.

PREVIOUS ACTIONS: None

CONCURRENCES: N/A

FISCAL IMPACT: Has request been budgeted? No

If yes, expected cost: \$

Account Name:

If no, amount needed:

What account will funds be appropriated from:

Additional Comments:

RECOMMENDATION(S): Motion to approve the Resolution.

Attachment(s): Resolution

RESOLUTION NO. R-2004-265

A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, SUPPORTING THE FORMATION OF A COMMUNITY CHEST THAT WOULD HELP SUPPORT LOCAL CHARITIES AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Town of Davie has long supported charities that have provided services to the less fortunate populations in Davie; and

WHEREAS, the Town of Davie acknowledges that these charities provide a valuable service to the communities they serve and the Town at-large; and

WHEREAS, The Town of Davie desires to support the formation of a not-for-profit organization aimed at performing various fund-raising activities as well as soliciting donations from philanthropic organizations and individuals to establish a substantial financial base from which equitable allocations can be made to those charities assisting Davie's less fortunate residents.

NOW, THEREFORE BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF DAVIE, FLORIDA:

SECTION 1. The Town of Davie supports the formation of a not-for profit Community Chest.

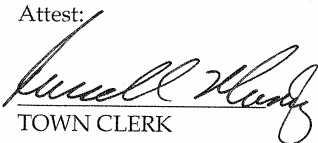
SECTION 2. The Town of Davie may authorize the use of staff, and, or its agents to provide higher level expertise in the formation of the Community Chest, its incorporation as a 501 3(c) corporation, and the creation of its by-laws.

SECTION 4. This Resolution shall take effect immediately upon its passage and adoption.

PASSED AND ADOPTED THIS 17th DAY OF November, 2004.


MAYOR/COUNCILMEMBER

Attest:


TOWN CLERK

APPROVED THIS 17th DAY OF November, 2004.

AUGUST 16, 2004

CHARITABLE DONATIONS. Mayor Truex indicated that charitable donations needed to be discussed. He invited the public to speak with regard to charitable donations.

Mandy Fernandez, representing Firewall Ministries which operated its program at Palma Nova, spoke of problems within the community and advised that games, tournaments and various activities were provided for children. He spoke of the need for an after-school program which needed funding. Mr. Fernandez requested \$20,000 from the Town to help with the development of this program. Mayor Truex asked if he could discuss or vote on this request as he was an unpaid director on the board of Firewall Ministries. Mr. Kiar indicated this was not a problem as Mayor Truex received no financial gain.

Councilmember Starkey thanked Mr. Fernandez and commended him for the work done with the children of the Palma Nova community. She asked Mr. Willi if the Town could provide an in-kind contribution to help with grant leveraging for this agency. Mr. Cohen indicated this would likely be done as a matter of principle. Councilmember Starkey suggested that the literacy component be tied in. Vice-Mayor Paul felt that some other organizations in similar categories that the Town had contributed to should receive the same benefit. Councilmember Starkey spoke of the need for establishing a community chest where funds could be earmarked and where agencies that needed help could be assisted by fundraising efforts. Councilmember Hubert corrected some of the statements made by Mr. Fernandez. She clarified that computers at Palma Nova were contributed by the Town and advised that there were now 815 mobile homes.

Mayor Truex advised that the monies to assist the charities cost the taxpayers nothing and felt most charitable agencies were worthy. He pointed out that the funding had no impact on taxpayers as it came from the community endowment fund which had no bearing on the budget. Mayor Truex felt the recommended amounts were appropriate.

Vice-Mayor Paul felt that the community chest would provide some breathing room. She suggested that the Town fund the same agencies at the same rate as last year, minus the Police Athletic League (PAL) and Memorial Health Care, which would be handled differently.

Council discussed the various donations requested by several not-for-profit agencies. Councilmember Starkey spoke about Family Central's service to the Town's children and felt an increase to \$10,000 was more appropriate. Mayor Truex agreed. Vice-Mayor Paul reiterated that Council should fund agencies at the same recommended levels as last year. Council agreed to approve the request from Area Agency on the Aging. Mayor Truex wanted to clarify whether every entry up to Davie Old School would be crossed off. Councilmember Starkey responded yes, with the exception of Area Agency on the Aging. Mr. Cohen pointed out that Council did not have an option regarding Area Agency on the Aging as the Town had entered into a 5-year contract with them. Council discussed various other agencies including First Call for Help, HOPE Outreach, International Ballet, Kids' Voting, League for the Hard of Hearing and Memorial Health Care.

Mayor Truex asked about the \$25,500 figure. Mr. Cohen explained that the Town was looking to keep the funding level from the Community Endowment Fund the same. Council agreed to keep this figure the same.

Vice-Mayor Paul spoke of Take Stock in Children and stated that this program had several large corporate sponsors. Mayor Truex was in favor of donating \$2,500. Vice-Mayor Paul wanted to see a breakdown of where the money went. Councilmember Starkey asked if Take Stock in Children had ever responded to the Town with a breakdown in response to the Town's criteria and questionnaire for charities.

Mayor Truex asked about The Starting Place. Council was in favor of their request. Mayor Truex was not in favor of cutting funding to Women in Distress. Councilmember Starkey agreed.

Vice-Mayor Paul pointed out that Young at Art did not fall in the realm of charities as they charged their own fees and had many large corporate sponsors. Councilmember Starkey asked if their request was only for the east side summer program. Mr. Cohen indicated that the request had no

restrictions. Councilmember Starkey asked if Council could receive further details on what the \$5,000 request was for. Mr. Cohen pointed out that \$5,000 was not specifically requested.

Mayor Truex felt that not funding the \$20,000 to Firewall Ministries would negatively impact the program and children at Palma Nova. He added that the children and families on the east side benefited greatly from this program.

Mayor Truex asked about recommendations made by the Budget Advisory Committee.

Kerry Waldee, chair of the Budget Advisory Committee, spoke of recommendations made at its June 2004 meeting, pertaining to non-profit organizations. He advised that the Committee had recommended that the Town 1) give only to organizations officially in existence for six years or more; 2) donate only to organizations whose objectives were to help in the areas of a) physical disabilities b) mental illness, c) poor health or physical injury d) those below the poverty level, and e) the economically disadvantaged; and 3) donate to organizations whose priority was to help only the youngest or the oldest in the Town.

Chair Waldee advised that the Committee had voted that 1) organizations submit an RFP annually, along with programmatic and financial reports, 2) all funds go directly to programs and not to administration; 3) 501(C)3 organizations be indicated as recommended, and 4) six years be changed to five years as recommended. He advised that the Committee's motion had passed 4-0.

Councilmember Starkey spoke of a previous request that not-for-profit agencies submit various documents along with their letters of request indicating financial and service breakdowns to inform the Town how the community was served. She asked if this requirement had changed. Mr. Cohen indicated that the Town did not solicit letters for donations. He advised that if Council wanted this as a formal requirement, agencies could be asked to comply. Councilmember Starkey pointed out that this was a requirement in the past. Mr. Willi advised that less than 10% responded to the requirement for funding. Vice-Mayor Paul felt that in such cases, the charities should comply with the Town's requests and not complain afterward if denied funding due to non-compliance.

Councilmember Starkey felt the Town should require documentation showing a business plan, financial papers, or 501(3)(C) incorporation papers. Mayor Truex was not in favor of implementing this process for all the agencies as he felt this was unnecessary. Vice-Mayor Paul clarified that the Town was not seeking detailed financial statements, but rather information on how many Davie residents were served and how much was being spent on residents. Mayor Truex was in favor of implementing these new requirements next year.

Vice-Mayor Paul suggested reducing the overall total funding for not-for-profit agencies to just under \$200,000. She suggested that funding for EASE and HOPE be reduced by \$3,000 in anticipation of revenue that would be received from the Zacco billboard.

Mayor Truex summarized Council's decisions as follows: 1) Area Agency on the Aging would receive \$29,954; 2) Old Davie School would receive \$25,000; and 3) EASE Foundation would receive \$28,500.

Councilmember Crowley was not in favor of any increases or any new line items and was in favor of funding agencies the same as the previous year.

Mayor Truex was in favor of Vice-Mayor Paul's recommendations to bring the limit to \$200,000. Vice-Mayor Paul felt government did not belong in this business. Councilmember Starkey agreed and wanted to keep the \$200,000 limit with the goal of giving this money to a community chest next year. Mayor Truex felt that despite objections, this process was no different from a State grant.

Mayor Truex continued summarizing Council's decisions as follows: 1) Council agreed to reduce Firewall Ministries to \$10,000; 2) Council agreed to cut \$1,500 from HOPE and EASE; 3) Family Central would receive \$10,000; 4) Fire Wall Ministries would receive \$20,000; 5) First Call for Help would receive 20, 621; 6) HOPE Outreach would receive \$38,500; 7) Kids Voting in Broward would receive \$2,500; and 8) Memorial Health Care would receive \$25,500.

Mayor Truex suggested giving Firewall Ministries \$17,000. Councilmember Hubert suggested that only \$10,000 be given to Firewall Ministries, as they were new and should do their own grant writing and fundraising. Council agreed to give Firewall Ministries \$10,000. Councilmember Crowley voiced his disagreement.

Mr. Willi indicated that the total amount per Council's discussion was \$190,075. All agreed via consensus. Mayor Truex requested that the agencies crossed off be eliminated on the updated budget.

NOVEMBER 3, 2004

Community Chest - Mayor Truex

Councilmember Starkey thanked Mayor Truex for placing this item on this agenda and felt the best thing to do would be to establish an interim board and draft appropriate by-laws. She stated that she wanted a letter drafted and sent to local businesses and philanthropists who did business with the Town, who may want to be involved in this effort. Councilmember Starkey advised that this effort had been successful in Coral Springs.

Vice-Mayor Paul was encouraged by this effort because the Town had so much success with the Land Trust and felt this would work almost in the same way. She felt starting this now was a good idea so it would be up and running for the next budget season.

Councilmember Hubert asked if the Town could have someone from staff on the board to protect the Town. Vice-Mayor Paul felt the Town could offer some assistance from staff and with some funding to get the program started.

Mayor Truex asked whether this item should be brought forth on a future agenda or discussed at a workshop. Council felt that it would be sufficient to give direction that a resolution be created and brought forth at the next meeting. Mayor Truex stated that some resolution was necessary to outline the basic elements of the plan.

Mayor Truex was not in favor of creating a Community Chest. He felt it was appropriate that State and local governments gave grants but felt this effort added another layer of bureaucracy, which would result in people giving to certain charities in lieu of others. Mayor Truex thought this subtracted from the efforts of charities.

Vice-Mayor Paul objected to Mayor Truex referring to concepts as "bad ideas" as she felt there were no bad ideas but ideas should all be brought forward for discussion. Mayor Truex stated the way the Town currently did things was perfect. He felt the Town could tweak its process further and preferred that objective criteria versus subjective criteria be developed.

Councilmember Hubert asked how the charities would be picked. Vice-Mayor Paul indicated the board would establish the criteria just as the Town did.

Mayor Truex asked if a letter could be sent to the charities in order to notify them. Councilmember Starkey asked "why stir the pot" by sending a letter indicating that the funding situation would be changed. Mayor Truex stated that he would send a letter to the charities and requested a list. Councilmember Starkey did not feel this was a good idea and did not feel the Town was taking money away from them. Councilmember Hubert felt the charities should have input. Vice-Mayor Paul pointed out that the whole purpose of the Community Chest was to support local charities.

Mr. Kovanes indicated that he would draft a resolution on this issue by the next meeting.

November 17, 2004

3.20. COMMUNITY CHEST - A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA,
R-2004-265 SUPPORTING THE FORMATION OF A COMMUNITY CHEST THAT WOULD
HELP SUPPORT LOCAL CHARITIES AND PROVIDING FOR AN EFFECTIVE
DATE.

Councilmember Hubert asked about the possible "seed money" the Town would provide for the community chest. Councilmember Starkey stated that most of the charities Councilmember Hubert was familiar with came from the endowment trust fund which was a line item in the Town's budget. The actual numbers were not stated yet but this item was on the agenda for Council to determine which charities remained with the Town as a line item. She stated that this resolution provided for other

charities that did not fall within the contribution required for grants. Councilmember Starkey advised that this resolution was to give staff direction and to facilitate a proposal to be brought back before Council with a dollar amount. She indicated that it was never the intention for the Town to cut some of its main charities and was disappointed that such rumors already existed.

Mayor Truex advised that he had sent a letter to every charity that had received money from the Town last year, advising that there had been discussion about the Town establishing a community trust in the future to facilitate this function. Councilmember Starkey pointed out that this letter might have been misinterpreted as the Town not providing any funding at all in the future.

Councilmember Hubert indicated that if the community chest was not controlled, it could choose any charity it desired, rather than ones that specifically benefited Davie residents. Councilmember Crowley echoed the same concern about controlling where charitable contributions would go. He felt Council should have some say over where contributions would go. Councilmember Starkey stated that this would be based on what Council determined and spoke of the Community Chest of Coral Springs that was able to raise much more money than the city alone. She pointed out that the elected officials of Coral Springs still retained control of contributions to given charities despite the fact that they did not vote on the community chest board. She pointed out that a community chest actually generated more money for the charities.

Vice-Mayor Paul pointed out that she had attended several Davie Land Trust meetings and was able to give input and suggestions, even though she was not a voting member. She felt Council should be more specific in this resolution and clarify the criteria it wanted to use for establishing the charities that would receive money. Vice-Mayor Paul stated that the criteria would be based on what the Town had tried to use in the past, in terms of what benefit came to Davie from a particular charity. She felt if these were part of the creation of the chest, then the people from Davie who would serve on the board would address these needs anyway. Vice-Mayor Paul stated that she did not expect that any organization created for the benefit of residents in Davie would give money to people elsewhere. She felt that if the mission statement of the community chest specifically included language requiring that charities that helped residents of Davie should benefit, this would provide some degree of comfort going forward.

Councilmember Crowley asked if the line item on the budget would be eliminated if this were approved. Vice-Mayor Paul felt that this would be reduced substantially if not eliminated as the organization could possibly raise more money for the charities than the Town alone could provide. Councilmember Crowley indicated that he had no objection with moving forward with these suggestions in place.

Councilmember Starkey pointed out that on some occasions, when business people from the Town approached Council, it gave the appearance of ethical problems when they wished to contribute to charities. She felt Council should not be put in this position and should be removed from such scenarios altogether. Councilmember Starkey indicated that the establishment of the community chest would eliminate any appearance of impropriety. She pointed out the difficulty governments had with trying to support charities locally and felt the needs in Davie far exceeded the \$200,000 Council had to struggle to spread out to local charities. Councilmember Starkey stated that the Town could still fund the \$200,000 line item in the budget every year but continue to face struggles trying to provide help to many beneficial services. She advised that nothing would change in the Town's budget process unless it had three votes for a change. Councilmember Starkey stated that this resolution was not to debate which charity to support, but to give direction to provide the necessary information for staff to do research and for a proposal to be brought before Council for further input.

Councilmember Hubert spoke of past discussions with developers regarding contributions to charities and felt businesses should choose who they wished to fund. She stated that charities in Davie needed to stay in Davie. Councilmember Starkey pointed out that this process would not change and that the Town would still contribute to the charities it supported out of its budget, until Council voted to change this.

Beryl Glansford, representing First Call for Help, pointed out that her agency was also a recipient of the Community Chest of Coral Springs and provided a report of services that First Call For

Help was required to submit. She spoke of the progress of the Community Chest of Coral Springs and recommended that the Town keep charities funded at the current levels, until Davie's community chest achieved the necessary funding for charities.

Mindy Shrago, executive director of the Young at Art Children's Museum, sought continued funding from the Town and hoped that the community chest would not be a detriment to the children in Davie.

Linda Owen, representing the EASE Foundation, spoke of her conversation with the director of the Community Chest of Coral Springs. Councilmember Starkey explained that the idea was to bring a proposal forward to show which charities the Town wanted to keep in the \$200,000 range and pointed out that seed money was needed to get the ball rolling. She indicated that she would be helping with fundraising efforts that would be part of the community chest goals.

Mayor Truex felt that with a community chest being a separate, non-profit entity with its own board of directors, it would be difficult to specify the causes to be funded. He pointed out that the Council previously discussed spending \$25 million for trail and equestrian lifestyle improvements while some people in the Town did not have "two nickels to rub together". Mayor Truex voiced his opposition to the idea that government should "get out" of the business of giving local grants to people who needed help the most. Mayor Truex wanted some measure in place that would indicate the Town would not cut out what it actually gave to the charities.

Vice-Mayor Paul felt the community chest would be able to collect more money than what the Town earmarked each year. She stated she did not see the problem with voting to move the process forward on establishing a community chest that would generate more money beyond what the Town could contribute to charities.

Mayor Truex requested further information. Vice-Mayor Paul stated that she did not see any harm in setting the process in motion as nothing voted on would be set in stone. Councilmember Crowley concurred.

Councilmember Crowley asked how the individual members of the agency would be appointed. Councilmember Starkey explained that a group of volunteers would be appointed.

Councilmember Hubert made a motion, seconded by Mayor Truex, to deny. In a roll call vote, the vote was as follows: Mayor Truex - yes; Vice-Mayor Paul - no; Councilmember Crowley - no; Councilmember Hubert - yes; Councilmember Starkey - no. (Motion failed 2-3)

Vice-Mayor Paul made a motion, seconded by Councilmember Starkey, to approve based on the fact that Council would have further research and that the plan would be brought back before Council. In a roll call vote, the vote was as follows: Mayor Truex - no; Vice-Mayor Paul - yes; Councilmember Crowley - yes; Councilmember Hubert - no; Councilmember Starkey - yes. (Motion carried 3-2)

February 15, 2006

COMMUNITY CHEST. Councilmember Paul wanted Council to revisit the idea of the community chest and felt the Town would eventually have to turn down requests for financial assistance due to budget constraints. Council directed staff to add this to the next meeting's agenda.

August 21, 2006

Councilmember Caletka said he would like to see the endowment reduced by 20% every year until the endowment was reduced \$50,000 to \$60,000 because "we are government, and we are not charity." He felt they should go to a community chest-like endowment. Councilmember Caletka wanted to reduce the endowment from \$283,000 to \$226,000 this year. Vice-Mayor Crowley felt Council should review the line items on the not-for-profit donation requests. He did not favor any additional funding, or adding any more not-for-profits to the list. Vice-Mayor Crowley felt the

increased funding for the Orange Park Program and the Neighborhood Program could be found somewhere else.

September 20, 2006

Councilmember Paul thought it essential that the Budget Advisory Committee submit quarterly reports, as Council would have caught many things earlier if they had seen quarterly reports. She agreed that Council should move forward with the community chest and thought there should be a clause in the lobbyists' contracts that bills not submitted in the fiscal year during which the services were rendered would not be paid. Councilmember Paul wanted to consider putting caps on departmental travel allowances. Mayor Truex felt a policy regarding this must be fairly applied and have clear criteria for eligibility.

January 3, 2007

COMMUNITY CHEST. Councilmember Caletka asked Mr. Shimun to look into the creation of a Community Chest that could be used to cover the cost of some items and keep them out of the budget.